

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
NORTHERN DIVISION

CONSTRUCTION LABORERS PENSION
TRUST FOR SOUTHERN CALIFORNIA,

Plaintiff,

Case No. 1:21-cv-11528

v.

Honorable Thomas L. Ludington
United States District Judge

ROCKET COMPANIES, INC., JAY FARNER,
DANIEL GILBERT, and ROCKET HOLDINGS, INC.,

Defendants.

ORDER GRANTING STIPULATED VOLUNTARY DISMISSAL

In September 2024, this Court declined to certify a securities class action brought by Plaintiff Construction Laborers Pension Trust for Southern California (“SoCal”) and former Plaintiff Carl Shupe against Rocket Companies, Inc. (“Rocket”), Rocket Holdings, Inc. (“RHI”), Rocket CEO Jay Farner, and founder Daniel Gilbert. *See generally Shupe v. Rocket Companies, Inc.*, 752 F. Supp. 3d 735 (E.D. Mich. 2024).

Thereafter, SoCal—but not Shupe—filed a motion seeking leave to file a renewed motion to certify a “narrowed” insider trading class. ECF No. 229. And SoCal—but not Shupe—filed a petition for a permissive interlocutory appeal in the Sixth Circuit, only to then immediately file a motion in the Sixth Circuit seeking to hold that petition in abeyance pending this Court's ruling on its hybrid motion for leave or reconsideration. Nearly two months after these pleadings, the Parties filed a stipulation to voluntarily dismiss Shupe’s claims. ECF No. 234.

In April 2025, this Court granted SoCal’s motion for leave to file a renewed motion for class certification because the Civil Rules allow multiple bites at the class-certification apple. *Constr. Laborers Pension Tr. for S. California v. Rocket Companies, Inc.*, No. 1:21-CV-11528,

2025 WL 1139113 (E.D. Mich. Apr. 17, 2025). But this Court noted that SoCal, the only remaining named Plaintiff, was *not* the designated lead plaintiff under the Private Securities Litigation Reform Act (PSLRA). Former plaintiff Shupe was. So, although SoCal did not need leave of Court to seek renewed class certification, PSLRA proceedings needed to be reopened. *See id.* at *11–14 (explaining that, “[a]lthough extremely rare, nearly all federal courts faced with similar circumstances have reopened lead plaintiff proceedings”).

In accordance with this Opinion & Order, on May 9, 2025, SoCal’s Counsel published nationwide notice of these now-narrowed proceedings and sought bids for PSLRA lead plaintiffs to pursue the putative insider trading class. *See* ECF No. 240-1. But, on July 24, 2025, the Parties filed a joint Stipulation of Voluntary Dismissal under Civil Rule 41(a). ECF No. 241. As the Parties explain, no individual or entity responded to the nationwide notice, “including . . . SoCal.”¹ *Id.* at PageID.41283. And SoCal now “wishes to voluntarily dismiss its claims.” *Id.* at PageID.41284.

Having reviewed the Parties’ Stipulation, Civil Rule 41, and this Court being otherwise fully advised in the premises:

It is **ORDERED** that the Parties’ Stipulation for Voluntary Dismissal, ECF No. 241, is **GRANTED**.

Further, it is **ORDERED** that Plaintiff SoCal’s claims, as outlined in the operative Complaint, ECF No. 109, are **DISMISSED WITH PREJUDICE**.

¹ This makes some sense. In its April 2025 Opinion & Order, this Court explained that SoCal would likely not be designated as a lead plaintiff under the PSLRA “unless it could demonstrate that it . . . gained sufficient knowledge and understanding about the insider trading claims the hypothetical narrowed class would seek to pursue.” *Constr. Laborers Pension Tr. for S. California v. Rocket Companies, Inc.*, No. 1:21-CV-11528, 2025 WL 1139113, at *13 (E.D. Mich. Apr. 17, 2025); *see also Shupe v. Rocket Companies, Inc.*, 752 F. Supp. 3d 735, 796–800 (E.D. Mich. 2024) (finding SoCal inadequate to represent the putative subclass under Civil Rule 23(a) because it fundamentally misunderstood the insider trading claims it sought to pursue).

This is a final order and closes the above-captioned case.

Dated: July 28, 2025

s/Thomas L. Ludington
THOMAS L. LUDINGTON
United States District Judge